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## KHPA Names First Medicaid Transportation Broker

MTM, Inc., to Coordinate Non-Emergency Medical Transportation

(TOPEKA) – In a move aimed at lowering costs and improving the quality and safety of services, the Kansas Health Policy Authority announced today it has reached agreement on a contract for a transportation service broker for the Kansas Medicaid program.

"This was a reform we identified last year in our Medicaid Transformation report," said KHPA Acting Executive Director Dr. Andrew Allison. "In the course of reviewing all of our programs, this was an area where we found the potential for significant savings and service improvement. With this contract, Medicaid beneficiaries who need help getting to and from their doctors appointments will be assured of getting safe, reliable transportation from a provider who meets our standards for quality of service. And, in the end, we expect this will save the Medicaid program hundreds of thousands of dollars per year."

Pending final approval from the Centers for Medicare and Medicaid Services (CMS), Medical Transportation Management, Inc. (MTM), based in Lake St. Louis, Mo., will begin managing and coordinating all non-emergency medical transportation for the Kansas Medicaid program on Nov. 1, 2009. Founded in 1995, MTM (website: <a href="http://www.mtm-inc.net">http://www.mtm-inc.net</a>) provides similar services for managed care organizations, state and county governments, departments of aging, hospitals, and county health and human services departments, as well as health systems and other programs involving transportation for the disabled, underserved, and elderly populations.

Currently, Kansas Medicaid reimburses for transportation on a fee-for-service basis. That means beneficiaries themselves arrange for a taxi, medical van or other professional service to pick them up, take them to their appointment and bring them home. With the new contract – known as a pre-paid ambulatory health plan, or PAHP, we'll pay one contractor a set fee for each beneficiary, and the contractor will assure that the providers who are transporting our beneficiaries are using safe, dependable vehicles, and they meet our quality standards.

Medicaid beneficiaries will soon be notified by mail about details of the change, including the phone number they will call in the future to arrange for transportation.

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In Fiscal Year 2007, KHPA spent \$5.08 million in reimbursements for non-emergency medical transportation services. The five-year contract with MTM is estimated to cost \$32.8 million, which includes the cost of additional services required under federal Medicaid rules, as well allowance for annual growth in utilization and the number of people served. The switch to a prepaid ambulatory health plan is expected to save the program 6-8 percent per year.